

DOCKETED COPY ORIGINAL ORIGINAL

RECEIVED

FEB - 7 1994

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
Simplification of the)
Depreciation Prescription)
Process)

CC Docket No. 92-296

REPLY TO OPPOSITIONS

None of the parties that advocate denial of the petitions for reconsideration¹ -- including Bell Atlantic's² -- address whether the Basic Factor Range option meets the Commission's stated goals of "simplification of the process, administrative savings, and flexibility."³ Instead, the parties, including Bell Atlantic's competitors, focus their arguments on the claim that there is inadequate competition to justify truly simplified depreciation regulation. Most startling is MCI, which just this month launched nationwide publicity trumpeting "a \$2 billion plan to invade the local telephone market,"⁴ that asserts here that it will "provide no sudden escalation in competitive choices in the exchange access

¹ Oppositions were filed by the California Cable Television Association, American Telephone and Telegraph Company, MCI Telecommunications Corporation ("MCI"), and the National Association of Regulatory Utility Commissioners.

² The Bell Atlantic Telephone Companies ("Bell Atlantic") are Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; and Bell Atlantic-West Virginia, Inc.

³ *Report and Order*, FCC 93-452 at ¶ 3 (rel. Oct. 20, 1993).

⁴ "MCI Plans to Enter Local Markets," *The New York Times*, Wednesday, January 5, 1994, at C-1.

No. of Copies rec'd
List ABCDE

29

arena."⁵ It is apparent that MCI's opposition is merely an anticompetitive effort to straight-jacket the exchange carriers at the time of its own market entry. Bell Atlantic should be free to take MCI's entry into account and to respond appropriately without undue regulatory constraints. Accordingly, Bell Atlantic urges the Commission to reconsider the continuing regulatory burden imposed by the Basic Factor Range option in light of this new evidence of even greater competitive entry than previously anticipated.

If, however, the Commission chooses to retain the Basic Factor Range option, Bell Atlantic continues to advocate the two modifications proposed in its petition: 1) eliminate a study requirement to move into a range; and 2) eliminate the requirement to provide mortality analysis to support curve shapes for accounts in the range. As Bell Atlantic demonstrated in its petition, these requirements complicate the depreciation prescription process without providing any real benefit to consumers or regulators.

⁵ MCI at 5. Coverage of MCI's local competition announcement indicated that MCI "hopes to compete with the Bell companies in offering local access to other long-distance carriers, including its archrival, AT&T." "MCI Plans to Enter Local Markets," *The New York Times*, Wednesday, Jan. 5, 1994, at C-1.

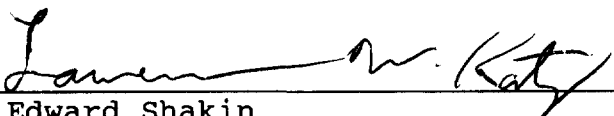
No party has objected to the removal of these requirements. Therefore, at a minimum, the Commission should modify the Report and Order to remove these unnecessary burdens.

Respectfully submitted,

The Bell Atlantic Telephone Companies

By Their Attorneys

Edward D. Young, III
Of Counsel

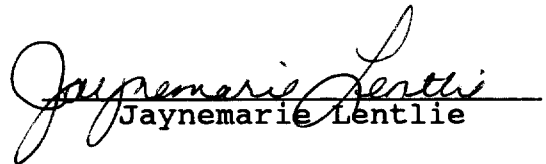

Edward Shakin
Lawrence W. Katz

1710 H Street, N.W.
Washington, D.C. 20006
(202) 392-1551

Dated: February 7, 1994

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing "Reply to Oppositions" was served this 7th day of February, 1994, by first class mail, postage prepaid, on the parties on the attached list.


Jaynemarie Lentlie

Accounting and Audits Division *
Federal Communications Commission
2000 L Street, N.W.
Washington, D.C. 20554

ITS, Inc. *
1919 M Street, N.W.
Room 246
Washington, D.C. 20554

William B. Barfield
M. Robert Sutherland
BellSouth Telecommunications 4300
Southern Bell Center
675 West Peachtree Street, N.E.
Atlanta, GA 30375

Mark C. Rosenblum
Robert J. McKee
Peter H. Jacoby
AT&T
295 North Maple Avenue
Room 3244J1
Basking Ridge, NJ 07920

R.E. Sigmon
Vice President - Regulatory
Affairs
Cincinnati Bell Telephone
201 E. Fourth Street, 102-320
P.O. Box 2301
Cincinnati, OH 45201

Anne U. MacClintock
Vice President - Regulatory
Affairs & Public Policy
Southern New England Telephone
227 Church Street
New Haven, CT 06510

Rowland L. Curry
Director
Telephone Utility Analysis Div.
Public Utility Commission of
Texas
7800 Shoal Creek Boulevard
Austin, TX 78757

Jerry Webb
Chief Engineer
Indiana Utility Regulatory Comm'n
302 W. Washington Street
Room E306
Indiana Government Center South
Indianapolis, IN 46204

Leo M Reinbold
Susan E. Wefald
Bruce Hagen
Public Service Commission
State Capitol
Bismarck, ND 58505

Thomas F. Peel
Utah Department of Commerce
Division of Public Utilities
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84145-0807

Richard McKenna, HQE03J36
GTE Service Corporation
P.O. Box 152092
Irving, TX 75015-2092

Gail L. Polivy
GTE Service Corporation
1850 M Street, N.W.
Suite 1200
Washington, DC 20036

James T. Hannon
U S West
1020 19th Street, N.W.
Suite 700
Washington, DC 20036

Edward C. Addison
William Irby
Virginia State Corporation
Commission Staff
P.O. Box 1197
Richmond, VA 23209

Linda Kent
USTA
1401 H Street, N.W.
Suite 600
Washington, DC 20005

Paul Rogers
Charles D. Gray
James Bradford Ramsay
NARUC
1102 ICC Building
P.O. Box 684
Washington, DC 20044

Allie B. Latimer
Vincent L. Crivbellas
Michael J. Ettner
General Service Administration
18th & F Streets, N.W.
Room 4002
Washington, DC 20405

Dr. Joseph Kraemer
Deloitte & Touche
1900 M Street, N.W.
Washington, DC 20036

Irwin A. Popowsky
Philip F. McClelland
Office of Consumer Advocate
Commonwealth of Pennsylvania
1425 Strawberry Square
Harrisburg, PA 17120

Robert E. Temmer
Anthony Marquez
Colorado Public Utilities Comm'n
Office Level 2 (OL-2)
1580 Logan Street
Denver, CO 80203

Laska Schoenfelder
Kenneth Stofferahn
James A. Burg
South Dakota Public Utilities
Comm'n
State Capitol Building
500 East Capitol Avenue
Pierre, SD 57501

Robert M. Lynch
Richard C. Hartgrove
Bruce E. Beard
Southwestern Bell Telephone
One Bell Center, Suite 3520
St. Louis, MO 63101

Campbell L. Ayling
Deborah Haraldson
NYNEX
120 Bloomingdale Road
White Plains, NY 10605

James P. Tuthill
Lucille M. Mates
Pacific Companies
140 New Montgomery Street
Room 1526
San Francisco, CA 94105

James L. Wurtz
Pacific Companies
1275 Pennsylvania Avenue, N.W.
Washington, DC 20004

Ron Eachus
Joan H. Smith
Roger Hamilton
Oregon Public Utility Comm'n
550 Capitol Street, N.E.
Salem, OR 97310-1380

Austin J. Lyons, Director
Telecommunications Division
Tennessee Public Service Comm'n
460 James Robertson Parkway
Nashville, TN 37243-0505

Telecommunications Division
Washington Utilities and
Transportation Comm'n
Chandler Plaza Building
1300 S. Evergreen Park Dr., SW
Olympia, WA 98504-8002

Ronald G. Choura
Policy Division
Michigan Public Service Comm'n
6545 Mercantile Way
P.O. Box 30221
Lansing, MI 48909

Maribeth D. Snapp
Deputy General Counsel
Oklahoma Corporation Comm'n
Public Utility Division
400 Jim Thorpe Office Building
Oklahoma City, OK 73105

Scot Cullen, P.E.
Administrator
Telecommunications Division
Public Service Comm'n of
Wisconsin
4802 Sheboygan Avenue
Madison, WI 53707-7854

Eric B. Witte
Assistant General Counsel for the
Missouri Public Service Comm'n
P.O. Box 360
Jefferson City, MO 65102

Stephanie Miller
Director of Utilities
Idaho Public Utilities Comm'n
Statehouse
Boise, Idaho 83720-6000

Peter Arth, Jr.
Edward W. O'Neill
Ellen S. Levine
505 Van Ness Avenue
San Francisco, CA 94102

John T. Lenahan
Barbara J. Kern
Ameritech Operating Cos.
2000 West Ameritech Center Dr.
Room 4H88
Hoffman Estates, IL 60196-1025

General Counsel
New York State Department of
Public Service
Three Empire State Plaza
Albany, NY 12223

Jay C. Keithley
United/Central Telephone
1850 M Street, N.W.
Suite 1100
Washington, DC 20036

W. Richard Morris
United/Central Telephone
P.O. Box 11315
Kansas City, MO 64112

Elizabeth Dickerson
Manager, Regulatory Analysis
MCI Telecommunications Corp.
1801 Pennsylvania Avenue, N.W.
Washington, DC 20006

Michael P. Gallagher, Director
Division of Telecommunications
State of New Jersey
Board of Regulatory Commissioners
CN 350
Trenton, NJ 08625-0350

Thomas E. Taylor
Frost & Jacobs
Counsel for Cincinnati Bell
2500 PNC Center
201 East Fifth Street
Cincinnati, Ohio 45202

Alan J. Gardner
California Cable Television
Association
4341 Piedmont Avenue
P.O. Box 11080
Oakland, CA 94611

Frank W. Lloyd
Kecia Boney
Mintz, Levin, Cohn, Ferris,
Glovsky and Popeo, P.C.
Counsel for California Cable
Television Association
701 Pennsylvania Avenue, N.W.
Suite 900
Washington, D.C. 20004

* BY HAND